

DRAFT

**Houston Area
Ryan White HIV/AIDS Program
Assessment of the Administrative Mechanism**

**Part A and Minority AIDS Initiative (MAI)
Fiscal Year 2012**

Prepared by
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Office of Support
July 30, 2013

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Background

The Ryan White CARE Act requires local Planning Councils to “assess the efficiency of the administrative mechanism in rapidly allocating funds to the areas of greatest need within the eligible area.”¹ To meet this mandate, a time-specific document review of local procurement, expenditure, and reimbursement processes for Ryan White HIV/AIDS Program funds is conducted annually by local Planning Councils.² The observation process is not intended to evaluate either the local administrative agencies for Ryan White funds or the individual service providers funded by Ryan White.³ Instead, it produces information about procurement, expenditure, and reimbursement processes for the local *system* of Ryan White funding that can be used for overall quality assurance purposes.

In the Houston eligible area, the Ryan White Planning Council has conducted an assessment of the administrative mechanism for Ryan White Part A and Minority AIDS Initiative (MAI) funds each fiscal year beginning in 2006. In 2012, the Planning Council began assessing the administrative mechanism for Part B and Texas State General Funds (State Services) as well. Consequently, the assessment tool used to conduct the assessment was amended to accommodate Part B and State Services processes. The new tool was developed and approved by the Quality Assurance Committee of the Planning Council on March 21, 2013 and approved by the Full Council on April 11, 2013.

Methodology

In June 2013, the approved assessment tool was applied to (1) the administrative mechanism for Part A and MAI funds and to (2) the administrative mechanism for Part B and State Services funds for the contract periods designated in the tool:

- Part A and MAI: March 1, 2012 – February 28, 2013 (FY 2012)
- Part B: April 1, 2012 – March 31, 2013 (FY 2012)
- State Services: September 1, 2011 – August 31, 2012 (FY 2011)

The tool evaluated three areas of each administrative mechanism: (1) the procurement and Request for Proposals (RFP) process, (2) the reimbursement process, and (3) the contract monitoring process. As outlined in the tool, 10 data points and their respective data sources were assessed for each administrative mechanism for the specified time frames. Application of the checklist, including data collection, analysis, and reporting, was performed by the Ryan White Planning Council Office of Support staff. All data and documents reviewed in the process were publicly available. Findings from the assessment process have been reported for each administration mechanism independently and are accompanied by the respective completed assessment tool.

¹Ryan White Program Manual, Section V, Chapter 1, Page 4

²Ibid, Page 7

³Ibid, Page 8

Part A and Minority AIDS Initiative (MAI)
Contract Period: March 1, 2012 – February 28, 2013 (FY 2012)

Summary of Findings

I. Procurement/Request for Proposals Process

- a) Traditionally, the Administrative Agent (AA) for Part A and MAI processes extensions of Part A and MAI contracts and positions with Harris County Commissioners Court prior to receipt of the final Notice of Grant Award (NGA) from HRSA. As a result of this practice, effectively no time elapses between receipt of the NGA by the AA and contract execution with funded service providers. This practice continued for the FY 2012 contract period, and there were no lapses in services to consumers.
- b) Due to the extensions of Part A and MAI contracts and positions described in (a) above, 100% of the FY 2012 Part A and MAI grant award was procured to funded service providers by the 1st quarter of the contract period, resulting in no gaps in procured funds to service providers.
- c) The AA procured funds in FY 2012 only to Planning Council-approved Service Categories. Moreover, the amounts of funds procured per Service Category at the beginning of the contract period were a match to Planning Council-approved final allocations for level funding for FY 2012. During the contract period, the AA applied Planning Council-approved policies for the shifting of funds within Service Categories, including application of the increased funding scenarios for Part A and MAI, billing reconciliations, and receipt of carry-over funds in approved categories.
- d) Prior to the FY 2012 contract period, Part A and MAI services were contracted for up to three years, and each Service Category was rotated for bidding every three years. Beginning with the FY 2012 procurement process, the AA may offer funded providers up to four annual renewal contracts. Therefore, according to this bidding schedule, a Request for Proposals (RFP) was issued during the FY 2012 contract period for four Part A and MAI Service Categories, including Primary Medical Care, which is bundled with three additional services. The RFP issued by the AA for these services contains information about the grant application process, which takes place via the Harris County Purchasing Agent. A pre-proposal conference for the RFP was also held. These steps indicate that the AA maintains a grant award process that provides potential bidders with information on applying for grants through the Purchasing Agent as well as the opportunity to address questions prior to submission.
- e) As described in (d) above, the AA issued an RFP during the FY 2012 contract period for four Part A and MAI Service Categories. The RFP issued for these services includes the FY 2012 Planning Council-adopted Service Category definitions for each service. This indicates that the AA maintains a grant award process that adheres potential bidders to Planning Council-approved definitions for contracted Service Categories.
- f) The AA procured 100% of total service dollars for both Part A and MAI by the end of the contract period, including the addition of reconciliations and carry-over funds. As a result, there were no unobligated funds for the FY 2012 contract period.
- g) There were unspent service dollars in both Part A and MAI at the end of the FY 2012 contract period that occurred in four Core Medical Services and in one Support Service. The total amount of unspent service funds for both Part A and MAI was \$306,563 or 1.7% of the total allocation for service dollars for the contract period. These funds will be sought for the FY 2013 contract period as carry-over dollars.

- h) In FY 2012, the AA continued to communicate to the Planning Council the results of the procurement process, including agendaizing procurement reports at Committee and Full Council meetings throughout the contract period.

II. Reimbursement Process

- i) The average number of days elapsed between receipt of an accurate Contractor Reimbursement Report (CER) from contracted agencies and the issuance of payment by the AA for FY 2012 was 18. Overall, 100% of Part A and/or MAI-contracted agencies were paid within an average of 20 days following receipt of an accurate CER by the AA. Though the total average elapsed days for reimbursement for FY 2012 is the same as the prior contract period (FY 2011), the percent of contracted agencies paid within a 20 day average *increased* in FY 2012 to 100% vs. 93% for FY 2011.

III. Monitoring Process

- j) The AA continued to use the Standards of Care as part of the FY 2012 contract selection and monitoring process and clearly indicates this in various quality management policies, procedures, and plans, including the AA's Policy and Procedure for Performing Site Visits for FY 2012 and the AA's current Quality Management Plan. Moreover, the RFP issued during the FY 2012 contract period for scheduled Part A and MAI Service Categories states that the AA will monitor for compliance with Standards of Care during site monitoring visits of contracted agencies.

Administrative Assessment Checklist -- Part A and MAI		Contract Period: 3/1/12 - 2/28/13 (FY12)	
Section I: Procurement/Request for Proposals Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
a) How much time elapsed between receipt of the NGA or funding contract by the AA and contract execution with funded service providers (i.e., 30, 60, 90 days)?	<ul style="list-style-type: none">The Administrative Agent (AA) for Part A and MAI processes extensions of Part A and MAI contracts and positions with Commissioners Court prior to receipt of the Notice of Grant Award (NGA) in order to prevent lapses in services to consumers.For the FY12 contract period, extensions of positions and contract renewals for Part A and MAI service providers were approved at Commissioners Court meetings on 1/24/12 and 2/4/12. The Part A and MAI NGA was received on 2/26/12, and final agreements were executed at the Court meetings on 4/10/12 and 5/8/12. <p><i>Conclusion:</i> Because of contract and position extensions processed by the AA in anticipation of the grant award, effectively zero (0) days elapsed between receipt of the NGA by the AA and contract execution with funded service providers.</p>	Time between receipt of NGA or funding contract by the AA and when contracts are executed with funded service providers	FY12 Part A and MAI NGA (issued 2/23/12) Commissioner's Court Agendas (1/24/12, 2/4/12, 4/10/12, 5/8/12)
b) What percentage of the grant award was procured by the: <input type="checkbox"/> 1st quarter? <input type="checkbox"/> 2nd quarter? <input type="checkbox"/> 3rd quarter?	<ul style="list-style-type: none">FY12 procurement reports from the AA indicate that 100% of total allocated funds in each Service Category were procured by 3/1/12, which is less than 90 days after the beginning of the contract period. This is due to the contract and position extensions processed by the AA prior to receipt of the NGA, as described in (a) above. <p><i>Conclusion:</i> Because of contract and position extensions processed by the AA in anticipation of the grant award, 100% of the Part A and MAI grant award was procured by the 1st quarter of the contract period.</p>	Time between receipt of NGA or funding contract by the AA and when funds are procured to contracted service providers	Year-to-date FY12 Part A and MAI Procurement Report provided by the AA to the PC (5/10/12)

Section I: Procurement/Request for Proposals Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
c) Did the awarding of funds in specific categories match the allocations established by the Planning Council?	<ul style="list-style-type: none"> The Planning Council makes allocations per Service Category for each upcoming contract period based on the assumption of level funding. It then designs scenarios to be applied in the event of an increase or decrease in funding per the actual NGA. The Planning Council further permits the AA to re-allocate funds within Service Categories (up to 10%) without pre-approval throughout the contract period for standard business practice reasons, such as billing reconciliations, and to apply carry-over funds as directed. In addition, the Planning Council allows the AA to shift funds in the final quarter of the contract period in order to prevent the grantee from leaving more than 5% of its formula funds unspent. The final FY12 procurement report from the AA (dated 5/1/13) show that the Service Categories to be funded and the amounts of funds per Service Category procured at the beginning of the contract period were a match to final Planning Council-approved allocations for level funding for FY12. Upon receipt of the NGA, the increased funding scenario for Part A (↑1.01%) and for MAI (↑3.23%) were applied as were the allowable shifting of funds described above. As a result, total allocations for FY12 were not a match to the original level-funding allocations approved by the Planning Council. However, this is to be expected due to the various needs for shifting funds that occur throughout the contract period as described above. <p><i>Conclusion:</i> The AA procured funds in FY 2012 only to Planning Council-approved Service Categories, and the amounts of funds per Service Category procured at the beginning of the contract period were a match to final allocations approved by the Planning Council for level funding. The AA applied Planning Council-approved policies for the shifting of funds within Service Categories during the contract period, including increased funding scenarios, billing reconciliations, and receipt of carry-over funds.</p>	Comparison of the list of service categories awarded funds by the AA to the list of allocations made by the PC	<p>Year-end FY12 Part A and MAI Procurement Report provided by the AA to the PC (5/1/13)</p> <p>PC Final FY12 Allocations Worksheet (8/26/11)</p>

Section I: Procurement/Request for Proposals Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
d) Does the AA have a grant award process which: <ul style="list-style-type: none"> <input type="checkbox"/> Provides bidders with information on applying for grants? <input type="checkbox"/> Offers a bidder's conference? 	<ul style="list-style-type: none"> Beginning with the FY12 contract period, Part A and MAI services may be contracted for up to four years, with Service Categories rotated for bidding every three years. According to this schedule, the following Service Categories were competitively bid via a Request for Proposals (RFP) process during the FY12 contract period for service contracts beginning in FY13: <ul style="list-style-type: none"> Primary Medical Care (bundled with Local Pharmacy Assistance, Medical Case Management, and Non-Medical Case Management/Service Linkage)—Adult, MAI, and Rural Vision Care Medical Transportation Legal Assistance The RFP issued on 10/1/12 for the above Service Categories (Job No. 12/0227) contains information about the process for applying for grants through the Harris County Purchasing Agent (see, for example, "Vendor Instructions," page 9, and "Suggestions for Completing Proposals," page 24). Moreover, a pre-proposal conference for the RFP was held by the AA on 9/19/12 with the stated purpose of "answer[ing] vendor questions regarding the proposal review and award process." <p><i>Conclusion:</i> A review of the RFP issued in FY12 indicates that the AA has maintained a grant award process that provides potential bidders with information on how to apply for grants via the Harris County Purchasing Agent as well as the opportunity to address questions about the grant award process.</p>	Confirmation of communication by the AAs to potential bidders specific to the grant award process	Part A and MAI RFP issued in FY12 for FY13 contracts (10/1/12) Courtesy Notice for Pre-Proposal Conference in FY 12 for FY13 contracts (9/19/12)
e) Does the REQUEST FOR PROPOSALS incorporate service category definitions that are consistent with those defined by the Planning Council?	<ul style="list-style-type: none"> The RFP issued in FY12 (on 10/1/12) (Job No. 12/0227) for Service Categories to be contracted in FY13 according to the bidding schedule includes the FY12 Planning Council-adopted Service Category definitions for each service (see "Service Category Specifications," pages 33-68). <p><i>Conclusion:</i> The RFP issued in FY12 includes Service Category definitions that are consistent with those defined by the Planning Council.</p>	Confirmation of communication by the AAs to potential bidders specific to PC products	Part A and MAI RFP issued in FY12 for FY13 contracts (10/1/12)

Section I: Procurement/Request for Proposals Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
f) At the end of the award process, were there still unobligated funds?	<ul style="list-style-type: none"> The final FY12 procurement report produced on 5/1/13 shows that 100% of total service dollars for Part A and MAI were procured by the end of the contract period, including the addition of reconciliations and carry-over funds. <p><i>Conclusion:</i> There were no unobligated funds for the contract period.</p>	Comparison of final amounts procured and total amounts allocated in each service category	Year-end FY12 Part A and MAI Procurement Report provided by the AA to the PC (5/1/13)
g) At the end of the year, were there unspent funds? If so, in which service categories?	<ul style="list-style-type: none"> The final FY12 procurement report produced on 5/1/13 shows unspent service funds as follows: <ul style="list-style-type: none"> (i) Part A: \$244,928 from the following Service Categories:* <ul style="list-style-type: none"> Primary Medical Care Local Pharmacy Assistance Medical Case Management Substance Abuse Treatment Non-Medical Case Management (Service Linkage) (ii) MAI: \$61,635 in Primary Medical Care <p><i>*Other Service Categories had unspent funds that were negligible (≤\$3)</i></p> The total amount of unspent service funds for both Part A and MAI in FY12 was \$306,563 or 1.7% of the total service dollar allocation. <p><i>Conclusion:</i> There were unspent funds in Part A and MAI in the Service Categories listed above. Unspent funds represented 1.7% of the total FY12 Part A and MAI allocation for service dollars.</p>	Review of final spending amounts for each service category	Year-end FY12 Part A and MAI Procurement Report provided by the AA to the PC (5/1/13)
h) Does the ADMINISTRATIVE AGENT have a method of communicating back to the Planning Council the results of the procurement process?	<ul style="list-style-type: none"> The FY12 Memorandum of Understanding (MOU) (dated 12/8/11) between the CEO, Planning Council, AA, and Office of Support requires the AA to “inform the Council no later than the next scheduled [...] Steering Committee meeting of any allocation changes” (page 4). In addition, FY12 Part A and MAI procurement reports from the AA were agendized for Planning Council meetings occurring on 6/14/12, 9/13/12, 11/8/12, 12/13/12, 2/14/13, and 4/11/13. Results of the procurement process were also provided during the AA report. <p><i>Conclusion:</i> The AA is required to and maintains a method of communicating back to the Planning Council the results of the procurement process, including agendized procurement reports to Committees and Full Council.</p>	Confirmation of communication by the AAs to the PC specific to procurement results	MOU (12/18/11) PC Agendas (6/14/12, 9/13/12, 11/8/12, 12/13/12, 2/14/13, 4/11/13)

Section II: Reimbursement Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
<p>i) What is the average number of days that elapsed between receipt of an accurate contractor reimbursement request or invoice and the issuance of payment by the AA?</p> <p>What percent of contractors were paid by the AA after submission of an accurate contractor reimbursement request or invoice:</p> <p><input type="checkbox"/> Within 20 days?</p> <p><input type="checkbox"/> Within 35 days?</p> <p><input type="checkbox"/> Within 50 days?</p>	<ul style="list-style-type: none"> The Annual Contractor Reimbursement Report (CER) Tracking Summary for FY12 produced by the AA on 4/24/13 showed an average of 18 days elapsing between receipt of an accurate CER from contracted agencies and the issuance of payment by the AA. This is comparable to the prior contract period. 100% of contracted agencies were paid within an average of 20 days following the receipt of an accurate CER. In FY11, 93% of contracted agencies were paid within an average of 20 days. <p><i>Conclusion:</i> The average number of days elapsing between receipt of an accurate contractor reimbursement request for Part A and/or MAI funds and the issuance of payment by the AA was 18 days. In addition, 100% of contracted Part A and/or MAI agencies were paid within an average of 20 days following receipt of an accurate invoice. Though the total average elapsed days for reimbursement for FY12 is the same as FY11, the percent of contracted agencies paid within 20 days increased to 100% vs. 93% for FY11</p>	Time elapsed between receipt of an accurate contractor reimbursement request or invoice and the issuance of payment by the AA	FY12 Part A and MAI Contractor Reimbursement Report (CER) Tracking Summary (4/24/13)
Section III: Contract Monitoring Process			
Method of Measurement	Summary of Findings	Data Point	Data Source(s)
<p>j) Does the ADMINISTRATIVE AGENT use the Standards of Care as part of the contract monitoring process?</p>	<ul style="list-style-type: none"> As described in (d) above, the AA issued an RFP during the FY12 contract period for four Part A and MAI Service Categories. Page 71 of the RFP states that the AA will monitor for compliance with the Standards of Care during site monitoring visits of contracted agencies. Directions to current Standards of Care documents are also provided. In addition, the AA's Policy and Procedure for Performing Site Visits of contacted agencies during the FY12 contract period (policies dated 2/23/12 and 2/21/13) includes the process for reviewing compliance with Standards of Care. Also, the AA's Quality Management Plan (dated 1/12) states that "annual site visits are conducted...at all agencies to ensure compliance with standards of care" (Page 8). <p><i>Conclusion:</i> The AA uses the Standards of Care as part of the contract monitoring process and clearly indicates this in its quality management policies, procedures, and plans.</p>	Confirmation of use of adopted SOC in contract monitoring activities	<p>Part A and MAI RFP issued in FY12 for FY13 contracts (10/1/12)</p> <p>HCPHS/RWGA Policy and Procedure for Performing Site Visits (2/23/12, 2/21/13)</p> <p>HCPHS/RWGA Quality Management Plan (1/12)</p>